

C3.158:M3-1(70)-4

CURRENT INDUSTRIAL REPORTS



Manufacturers' Shipments, Inventories, and Orders

April 1970

U.S. DEPARTMENT OF COMMERCE / Bureau of the Census

FOR RELEASE: June 2, 1970

SERIES: M3-1(70)-4

New orders for manufactured products in April decreased \$200 million to \$53.6 billion, after seasonal adjustment, the Bureau of the Census, U. S. Department of Commerce, announced today. Shipments decreased \$400 million to \$54.5 billion. The backlog of unfilled orders at \$85.8 billion declined \$900 million from March. Manufacturers' inventories rose \$700 million to a total of \$97.6 billion from \$96.9 billion at the end of March. The inventories to shipments ratio rose to 1.79 from 1.76 in March.

For the 3 months ending in April, the average monthly change in new orders was a decrease of 0.1 percent compared with a decrease of 1.8 percent for the 3 months ending in January and an increase of 0.7 percent for the 3 months ending in October.

NEW ORDERS

New orders for durable goods at \$28.8 billion increased \$100 million from March while new orders for nondurable goods decreased \$400 million to \$24.9 billion. In the transportation industry, new orders decreased \$200 million as a decline in the orders of the aerospace industry more than offset an increase in the automotive industry. New orders for the machinery industries increased \$300 million to \$9.0 billion while primary metals increased \$400 million to \$4.9 billion and fabricated metals decreased \$200 million to \$3.0 billion.

Among the supplementary series, new orders for machinery and equipment (producers' capital goods) increased \$100 million to \$6.1 billion. New orders for defense products at \$1.5 billion were \$100 million below March. Household durables also decreased \$100 million to \$1.9 billion. (SEE CHART 1)

Chart 1 - Manufacturers' New Orders (Seasonally Adjusted)

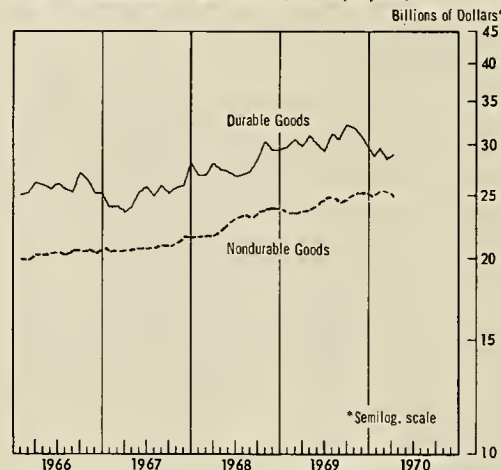
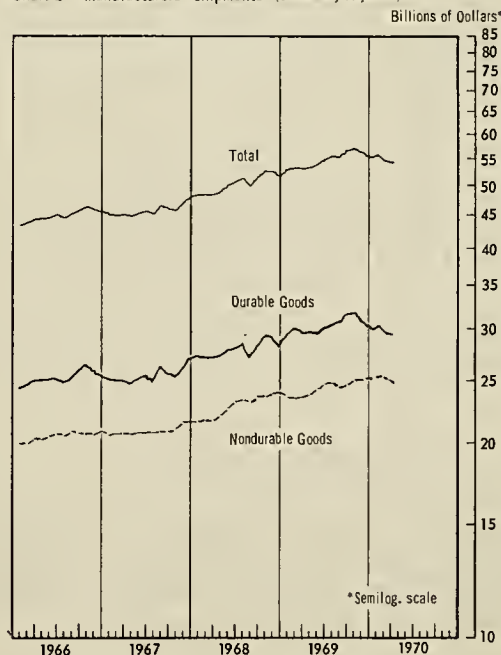


Chart 2 - Manufacturers' Shipments (Seasonally Adjusted)



SHIPMENTS

Manufacturers' shipments of durable goods decreased \$100 million to \$29.6 million from \$29.7 billion in March. Shipments of transportation equipment increased \$500 million to \$7.6 billion. Shipments of primary metals declined \$200 million and fabricated metals declined \$100 million. Shipments of the machinery industries remained virtually unchanged at \$9.1 billion. Shipments of nondurable goods declined \$400 million to \$24.9 billion, as the chemical industry declined \$200 million and the foods industry \$100 million. (SEE CHART 2)

UNFILLED ORDERS

Unfilled orders of durable goods at \$82.8 billion were \$900 million below the backlog at the end of March. The transportation industry declined \$1.1 billion to \$29.5 billion at the end of April. The aircraft backlog declined \$1.0 billion accompanied by a decline of \$100 million in the shipbuilding and railroad equipment group. Unfilled orders for the automotive industry remained unchanged at \$3.2 billion. The primary metals backlog increased \$400 million to \$7.2 billion at the end of April while the machinery industries remained virtually unchanged at \$30.3 billion. (SEE CHART 3)

INVENTORIES

Inventories in the durable goods industries increased \$400 million to \$64.7 billion from \$64.3 billion in March while those in the nondurable goods industries increased \$300 million to \$32.9 billion at the end of April. The largest dollar gain in durables occurred in the primary metals industry. In the nondurable goods industries, nearly all industry groups registered increases from March. At the all manufacturing level, materials and supplies inventories increased \$300 million and work in process increased \$400 million as finished goods remained virtually unchanged.

The advance report on durable goods for May is scheduled for release on June 19 and the full report is scheduled for release on June 30.

For an explanation of terms used in this report see appendix following table 5.

Inquiries concerning these figures should be addressed to the U.S. Department of Commerce, Bureau of the Census, Industry Division, Washington, D.C. 20233.

Chart 3 – Manufacturers' Unfilled Orders (Seasonally Adjusted)

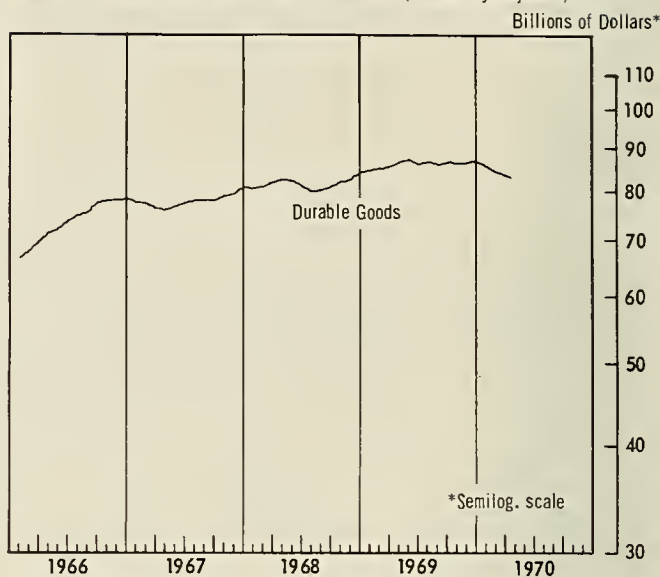


Chart 4 – Total Inventory (Seasonally Adjusted)

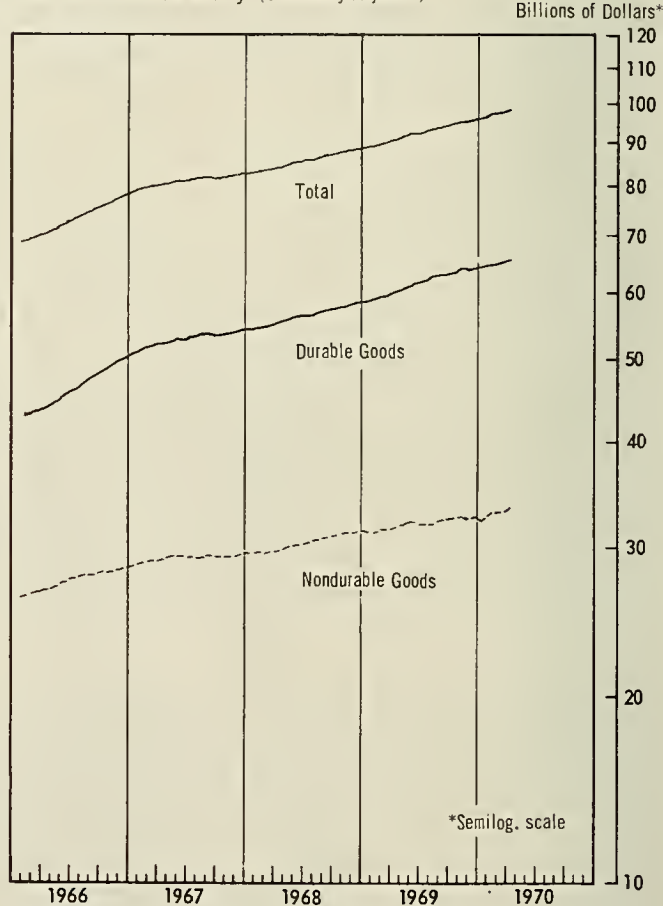


Table 1.--VALUE OF MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS, BY INDUSTRY GROUP

(Millions of dollars)

Industry group	Seasonally adjusted			Without seasonal adjustment ¹			Seasonally adjusted			Without seasonal adjustment		
	April 1970 ^D	March 1970 ^F	Feb. 1970	April 1970 ^D	March 1970 ^F	April 1969	April 1970 ^D	March 1970 ^F	Feb. 1970	April 1970 ^D	March 1970 ^F	April 1969
	Shipments						Total inventories					
All manufacturing industries:												
Total.....	54,511	54,954	55,588	55,921	57,109	54,693	97,604	96,916	96,603	98,422	97,504	91,779
Total, excluding transportation....	46,900	47,815	48,229	48,024	49,479	47,039	82,156	81,378	81,071	82,893	81,890	77,230
Durable goods industries, total.....	29,640	29,711	30,402	30,620	31,184	30,654	64,675	64,266	63,969	65,269	64,599	59,973
Stone, clay, and glass products.....	1,426	1,520	1,519	1,443	1,464	1,438	2,563	2,541	2,542	2,652	2,627	2,473
Primary metals, total.....	4,442	4,686	4,796	4,743	4,994	4,893	8,569	8,284	8,126	8,446	8,244	7,572
Blast furnaces, steel mills.....	1,782	2,045	2,155	1,960	2,229	2,305	4,618	4,389	4,267	4,461	4,319	3,981
All other primary metals.....	2,660	2,641	2,641	2,783	2,765	2,588	3,951	3,895	3,859	3,985	3,925	3,591
Fabricated metal products, total.....	3,066	3,186	3,245	3,115	3,246	3,109	6,641	6,692	6,676	6,807	6,747	6,426
Metal cans, barrels, and drums.....	295	293	288	294	289	300	701	785	791	756	791	764
Machinery, except electrical, total.....	5,336	5,439	5,638	5,618	5,844	5,559	13,541	13,429	13,344	13,704	13,580	12,089
Engines and turbines.....	457	487	458	464	549	434	933	944	976	949	952	909
Farm machinery and equipment.....	441	449	481	546	552	571	984	969	959	1,007	1,016	959
Construction, mining, and material handling equipment.....	683	718	764	753	749	734	2,331	2,286	2,250	2,362	2,336	2,074
Metalworking machinery.....	326	328	350	318	357	308	1,156	1,165	1,147	1,156	1,159	1,044
General industrial machinery.....	537	527	556	567	555	507	1,163	1,145	1,129	1,176	1,155	999
Electrical machinery, total.....	3,717	3,661	3,719	3,688	3,806	3,686	9,585	9,536	9,482	9,740	9,528	8,906
Electrical transmission and distribution equipment and industrial apparatus.....	716	741	726	729	772	724	2,009	1,982	1,958	2,011	1,988	1,832
Household appliances, including radio and TV.....	691	686	674	610	715	661	2,145	2,118	2,126	2,221	2,089	2,105
Communication equipment.....	1,144	1,050	1,095	1,178	1,100	1,100	2,801	2,826	2,823	2,852	2,843	2,552
Transportation equipment, total.....	7,611	7,139	7,359	7,897	7,630	7,654	15,448	15,538	15,532	15,529	15,614	14,549
Motor vehicles and parts.....	3,843	3,561	3,763	4,094	3,898	4,281	4,144	4,164	4,164	4,086	4,140	4,204
Aircraft, missiles, and parts.....	3,130	2,956	2,936	3,115	3,055	2,736	9,315	9,421	9,446	9,422	9,489	8,569
Instruments and related products.....	1,130	1,201	1,192	1,114	1,223	1,068	2,655	2,602	2,520	2,669	2,582	2,358
All other durable goods industries.....	2,912	2,879	2,934	3,002	2,977	3,247	5,673	5,644	5,747	5,722	5,677	5,600
Nondurable goods industries, total.....	24,871	25,243	25,186	25,301	25,925	24,039	32,929	32,650	32,634	33,153	32,905	31,806
Food and kindred products, total.....	8,525	8,659	8,468	8,426	8,717	7,662	7,447	7,450	7,423	7,343	7,382	7,184
Meat products.....	1,781	1,795	1,740	1,749	1,785	1,668	850	821	830	889	864	734
Tobacco products.....	447	437	424	438	430	414	2,155	2,159	2,143	2,208	2,263	2,258
Textile mill products.....	1,722	1,812	1,741	1,722	1,862	1,756	3,468	3,435	3,454	3,538	3,496	3,652
Paper and allied products, total.....	2,331	2,349	2,364	2,363	2,430	2,256	2,739	2,682	2,681	2,769	2,691	2,466
Pulp, paper, etc.....	1,010	1,022	1,029	1,033	1,066	964	1,056	1,047	1,039	1,069	1,053	966
Chemicals and allied products, total.....	3,993	4,157	4,225	4,373	4,392	4,254	6,708	6,633	6,613	6,795	6,756	6,336
Industrial chemicals, except pigments.....	1,348	1,402	1,452	1,472	1,472	1,475	2,212	2,177	2,178	2,239	2,221	2,127
Petroleum and coal products.....	2,122	2,129	2,162	2,103	2,085	1,971	2,360	2,331	2,318	2,354	2,327	2,057
Rubber and plastics products, n.e.c.....	1,481	1,547	1,549	1,570	1,618	1,413	1,957	1,949	1,951	1,996	1,987	1,847
All other nondurable goods industries.....	4,250	4,153	4,253	4,306	4,391	4,313	6,095	6,011	6,051	6,150	6,003	6,006
	New orders						Unfilled orders					
All manufacturing industries:												
Total.....	53,640	53,881	54,854	55,053	56,287	56,010	85,813	86,679	87,757	86,077	86,944	89,796
Total, excluding transportation....	47,123	47,210	47,624	48,223	49,138	47,983	56,311	56,084	56,693	56,841	56,642	55,640
Durable goods industries, total.....	28,771	28,632	29,657	29,709	30,346	31,896	82,847	83,715	84,795	83,080	83,991	86,621
Primary metals, total.....	4,875	4,500	4,419	5,030	4,874	4,970	7,245	6,813	6,998	7,605	7,318	7,184
Blast furnaces, steel mills.....	2,175	1,951	1,855	2,227	2,200	2,376	3,526	3,133	3,226	3,819	3,552	3,591
Fabricated metal products.....	2,965	3,159	3,116	3,129	3,323	3,319	10,314	10,414	10,440	10,539	10,525	10,070
Machinery, except electrical, total.....	5,355	5,121	5,551	5,637	5,603	5,938	16,712	16,692	17,010	16,845	16,825	15,909
Engines and turbines.....	518	358	520	448	447	520	4,881	4,820	4,948	4,823	4,840	4,251
Construction, mining, and material handling equipment.....	688	720	770	782	799	775	2,196	2,191	2,189	2,277	2,248	1,971
Metalworking machinery.....	280	239	272	277	258	428	1,541	1,586	1,676	1,541	1,582	1,895
General industrial machinery.....	477	512	572	551	536	507	1,601	1,661	1,676	1,643	1,659	1,549
Electrical machinery, total.....	3,677	3,633	3,786	3,596	3,755	3,822	13,606	13,647	13,674	13,379	13,473	13,228
Electrical transmission and distribution equipment and industrial apparatus.....	681	752	729	670	762	824	3,544	3,579	3,568	3,513	3,571	3,368
Household appliances, including radio and TV.....	667	763	651	594	742	647	611	636	558	557	574	623
Communication equipment.....	1,174	971	1,182	1,129	1,028	1,117	5,598	5,568	5,647	5,413	5,463	5,404
Transportation equipment, total.....	6,517	6,671	7,230	6,830	7,149	8,027	29,502	30,595	31,064	29,236	30,302	34,156
Aircraft, missiles, and parts.....	2,157	2,695	2,815	2,178	2,835	2,601	22,447	23,420	23,681	22,303	23,240	26,835
All other durable goods industries.....	5,382	5,548	5,555	5,487	5,642	5,820	5,468	5,554	5,609	5,476	5,548	6,074
Nondurable goods industries, total.....	24,869	25,249	25,197	25,344	25,941	24,114	2,966	2,964	2,962	2,997	2,953	3,175
Industries with unfilled orders.....	6,765	6,862	6,890	6,859	7,048	6,715	2,966	2,964	2,962	2,997	2,953	3,175
Industries without unfilled orders.....	18,104	18,387	18,307	18,485	18,893	17,399	-	-	-	-	-	-

- Represents zero. ^D Preliminary. ^F Revised.¹ Adjusted for trading-day and calendar-month variations.

Table 2.--VALUE OF MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS, FOR MARKET CATEGORIES AND SUPPLEMENTARY SERIES
(Millions of dollars)

Industry group	Seasonally adjusted			Without seasonal adjustment ¹			Seasonally adjusted			Without seasonal adjustment		
	April 1970 ^P	March 1970 ^T	Feb. 1970	April 1970 ^P	March 1970 ^T	April 1969	April 1970 ^P	March 1970 ^T	Feb. 1970	April 1970 ^P	March 1970 ^T	April 1969
	Shipments						Total inventories					
All manufacturing industries, total..	54,511	54,954	55,588	55,921	57,109	54,693	97,604	96,916	96,603	98,422	97,504	91,779
Durable goods industries, total.....	29,640	29,711	30,402	30,620	31,184	30,654	64,675	64,266	63,969	65,269	64,599	59,973
Nondurable goods industries, total.....	24,871	25,243	25,186	25,301	25,925	24,039	32,929	32,650	32,634	33,153	32,905	31,806
Industry groups arranged by market categories:												
Home goods and apparel.....	4,455	4,365	4,368	4,367	4,661	4,630	9,959	9,857	9,893	10,176	9,836	9,945
Consumer staples.....	10,816	10,996	10,904	10,745	11,113	9,909	12,427	12,414	12,358	12,363	12,429	11,833
Equipment and defense products, except automotive.....	9,306	9,203	9,505	9,569	9,727	9,156	26,105	25,978	25,921	26,472	26,218	23,395
Automotive equipment.....	4,466	4,175	4,370	4,797	4,548	4,879	5,276	5,296	5,298	5,266	5,343	5,318
Construction materials, supplies, and intermediate products.....	4,347	4,471	4,539	4,488	4,417	4,683	8,039	8,018	8,016	8,194	8,159	7,868
Other materials and supplies and intermediate products.....	21,121	21,744	21,902	21,955	22,643	21,436	35,798	35,353	35,117	35,951	35,519	33,420
Supplementary series: ²												
Household durable goods industries.....	1,967	1,966	1,970	1,891	2,052	2,062	5,205	5,165	5,158	5,330	5,152	4,982
Machinery and equipment industries.....	6,249	6,387	6,604	6,457	6,762	6,365	16,893	16,712	16,570	17,051	16,811	14,991
Defense products industries (old series).	4,562	4,302	4,308	4,597	4,471	4,166	12,864	12,984	13,050	13,050	13,086	11,996
Defense products (new series)*.....	2,007	1,947	1,915	2,028	2,028	2,059	7,329	7,313	7,293	7,431	7,365	7,480
	New orders						Unfilled orders					
All manufacturing industries, total..	53,640	53,881	54,854	55,053	56,287	56,010	85,813	86,679	87,757	86,077	86,944	89,796
Durable goods industries, total.....	28,771	28,632	29,657	29,709	30,346	31,896	82,847	83,715	84,795	83,080	83,991	86,621
Nondurable goods industries, total.....	24,869	25,249	25,197	25,344	25,941	24,114	2,966	2,964	2,962	2,997	2,953	3,175
Industry groups arranged by market categories:												
Home goods and apparel.....	4,418	4,435	4,357	4,339	4,667	4,646	1,993	2,031	1,966	1,897	1,832	2,209
Consumer staples.....	10,813	10,993	10,904	10,738	11,105	9,890						
Equipment and defense products, except automotive.....	8,343	8,566	9,669	8,713	9,171	9,706	46,645	47,602	48,316	46,273	47,173	48,467
Automotive equipment.....	4,469	4,101	4,262	4,753	4,416	4,862						
Construction materials, supplies, and intermediate products.....	4,229	4,417	4,420	4,521	4,505	4,945	10,301	10,419	10,473	10,607	10,574	10,428
Other materials and supplies and intermediate products.....	21,368	21,369	21,242	21,989	22,423	21,861	26,874	26,627	27,002	27,300	27,265	28,692
Supplementary series: ²												
Household durable goods industries.....	1,929	2,036	1,954	1,838	2,058	2,041	1,623	1,663	1,593	1,523	1,578	1,788
Machinery and equipment industries.....	6,072	5,981	6,603	6,290	6,406	7,304	24,578	24,754	25,161	24,572	24,738	23,609
Defense products industries (old series).	3,594	3,975	4,282	3,584	4,186	4,021	28,530	29,498	29,826	28,186	29,200	32,880
Defense products (new series)*.....	1,461	1,558	1,872	1,446	1,673	2,065	19,455	20,000	20,389	19,238	19,820	22,329

*During 1968 manufacturers in ordnance, communications, aircraft and aircraft parts, and ship building industries began to provide aggregate figures on shipments, orders, and total inventories of work performed for the Department of Defense. The results of these reports are included in these new defense series. Since there are no historical data available to develop separate seasonal factors for these reporters, the data have been seasonally adjusted using the factors of these industries. ^PPreliminary. ^TRevised. ^SShipments and new orders adjusted for trading-day and calendar-month variations; unfilled orders and inventories as of end of month. The supplementary series are regroupings of the separate industry categories as follows:

Household durable goods industries - Household furniture; kitchen articles and pottery; cutlery, handtools, and hardware; household appliances; ophthalmic goods, watches, and clocks; and miscellaneous personal goods.

Machinery and equipment industries - Machinery, except electrical (excluding farm machinery and equipment and machine shops), electrical machinery (excluding household appliances, communication equipment and electronic components), ship building and repairing, and railroad and street car equipment.

Defense products industries (old series) - Based on reports for companies classified in the communication equipment, complete aircraft, aircraft parts, and ordnance industries. (Thus, this series includes significant amounts of nondefense work in these industries and omits defense work performed in the ship building industry.)

Defense products (new series) - Based on separate reports on defense work filed by large defense contractors in the following industries: ordnance, communications, complete aircraft, aircraft parts, and ship building. Thus, it differs from the old series in that it includes offense activity in ship building and excludes nondefense work in ordnance, communications, complete aircraft, and aircraft parts. The data are comparable to those published annually in the MA-175, Shipments of Defense-Oriented Industries, for the specified industries.

Table 3.--MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS MONTH-TO-MONTH AND LONG TERM PERCENT CHANGES

(Based on seasonally adjusted data)

Item and industry group	Month-to-month			Average monthly rates of change				Average, 1964-1969	
	March-April 1970	Feb.-March 1970	Jan.-Feb. 1970	3 months			12 months	Average rise	Average decline
				Jan. 1970-April 1970	Oct. 1969-Jan. 1970	July 1969-Oct. 1969	April 1969-April 1970		
Shipments:									
All manufacturing industries.....	-0.8	-1.2	+0.9	-0.4	-1.1	+1.0	+0.2	+1.4	-1.1
Durable goods industries, total.....	-0.2	-2.3	+1.2	-0.4	-2.0	+1.4	0.0	+1.9	-2.1
Nondurable goods industries, total.....	-1.5	+0.2	+0.5	-0.3	-0.1	+0.4	+0.4	+1.0	-0.5
Total inventories:									
All manufacturing industries.....	+0.7	+0.3	+0.6	+0.5	+0.4	+0.6	+0.6	+0.7	-0.1
New orders:									
All manufacturing industries.....	-0.4	-1.8	+1.9	-0.1	-1.8	+0.7	-0.1	+1.8	-1.5
Durable goods industries, total.....	+0.5	-3.5	+2.6	-0.1	-3.1	+0.8	-0.6	+3.1	-2.4
Nondurable goods industries, total.....	-1.5	+0.2	+1.0	-0.1	-0.2	+0.6	+0.4	+1.1	-0.6
Unfilled orders:									
Durable goods industries, total.....	-1.0	-1.3	-0.9	-1.1	-0.3	0.0	-0.3	+1.1	-0.6

Table 4.--RATIO OF MANUFACTURERS' INVENTORIES TO SHIPMENTS AND UNFILLED ORDERS TO SHIPMENTS, BY INDUSTRY GROUP

(Based on seasonally adjusted data)

Industry group	Inventories - shipments ratio				Unfilled orders - shipments ratio ¹ (months' backlog)			
	April 1970 ^P	March 1970 ^T	Feb. 1970	April 1969	April 1970 ^P	March 1970 ^T	Feb. 1970	April 1969
All manufacturing industries, total.....	1.79	1.76	1.74	1.71	2.56	2.56	2.54	2.69
Durable goods industries, total.....	2.18	2.16	2.10	2.00	3.09	3.10	3.06	3.24
Stone, clay, and glass products.....	1.80	1.67	1.67	1.68	(NA)	(NA)	(NA)	(NA)
Primary metals.....	1.93	1.77	1.69	1.68	1.63	1.45	1.46	1.50
Fabricated metals.....	2.17	2.10	2.06	2.05	3.72	3.60	3.53	3.57
Machinery, except electrical.....	2.54	2.47	2.37	2.26	3.13	3.07	3.02	2.99
Electrical machinery.....	2.58	2.60	2.55	2.34	3.66	3.73	3.68	3.60
Transportation equipment.....	2.03	2.18	2.11	1.97	5.59	6.10	6.04	7.05
Instruments and related products.....	2.35	2.17	2.11	2.16	(NA)	(NA)	(NA)	(NA)
Nondurable goods industries, total.....	1.32	1.29	1.30	1.34	0.44	0.43	0.43	0.48
Food and kindred products.....	0.87	0.86	0.88	0.94	(X)	(X)	(X)	(X)
Tobacco products.....	4.82	4.94	5.05	5.23	(X)	(X)	(X)	(X)
Textile mill products.....	2.01	1.90	1.98	2.04	(NA)	(NA)	(NA)	(NA)
Paper and allied products.....	1.18	1.14	1.13	1.10	(NA)	(NA)	(NA)	(NA)
Chemicals and allied products.....	1.68	1.60	1.57	1.60	(X)	(X)	(X)	(X)
Petroleum and coal products.....	1.11	1.09	1.07	1.04	(X)	(X)	(X)	(X)
Rubber and plastics products, n.e.c.....	1.32	1.26	1.26	1.36	(X)	(X)	(X)	(X)

(NA) Not available. ^PPreliminary. ^TRevised. (X) Not applicable.¹Excludes the following industries with no unfilled orders: Wooden containers; glass containers; metal cans, barrels and drums; motor vehicle assembly operations; foods and related products; tobacco; apparel and related products; chemicals; petroleum and coal products; and rubber and plastics products, n.e.c.

Table 5.--VALUE OF MANUFACTURERS' INVENTORIES, BY STAGE OF FABRICATION, BY INDUSTRY GROUP

(Millions of dollars)

Industry group	Seasonally adjusted			Without seasonal adjustment			Seasonally adjusted			Without seasonal adjustment		
	April 1970 ^P	March 1970 ^T	Feb. 1970	April 1970 ^P	March 1970 ^T	April 1969	April 1970 ^P	March 1970 ^T	Feb. 1970	April 1970 ^P	March 1970 ^T	April 1969
	Total						Materials and supplies					
All manufacturing industries, total..	97,604	96,916	96,603	98,422	97,504	91,779	29,888	29,579	29,411	29,431	29,551	28,562
Durable goods industries, total.....	64,675	64,266	63,969	65,269	64,599	59,873	17,563	17,692	17,615	17,370	17,457	16,755
Stone, clay, and glass products.....	2,563	2,541	2,542	2,652	2,627	2,473	828	821	819	822	821	755
Primary metals.....	8,569	8,284	8,126	8,446	8,244	7,572	3,020	3,003	2,916	2,841	2,851	2,650
Machinery (electrical and nonelectrical).	23,126	22,965	22,826	23,444	23,108	20,995	5,539	5,536	5,530	5,546	5,499	5,031
Transportation equipment.....	15,448	15,538	15,532	15,529	15,614	14,549	3,147	3,166	3,182	3,130	3,170	3,328
All other durable goods industries.....	14,969	14,938	14,943	15,198	15,006	14,384	5,029	5,166	5,168	5,031	5,116	4,991
Nondurable goods industries, total.....	32,929	32,650	32,634	33,153	32,905	31,806	12,325	11,887	11,796	12,061	12,094	11,807
Chemicals and allied products.....	6,708	6,633	6,613	6,795	6,756	6,336	2,680	2,276	2,252	2,305	2,289	2,180
Petroleum and coal products.....	2,360	2,331	2,318	2,354	2,327	2,057	523	522	542	538	529	484
Rubber and plastics products, n.e.c.....	1,957	1,949	1,951	1,996	1,987	1,847	610	599	597	599	587	568
All other nondurable goods industries....	21,904	21,737	21,752	22,008	21,835	21,566	8,512	8,490	8,405	8,619	8,689	8,575
	Work in process						Finished goods					
All manufacturing industries, total..	35,441	35,085	35,032	35,547	35,255	32,679	32,275	32,252	32,160	33,444	32,698	30,538
Durable goods industries, total.....	30,330	30,126	30,005	30,590	30,325	27,711	16,782	16,448	16,349	17,309	16,817	15,507
Stone, clay, and glass products.....	381	389	411	414	422	404	1,354	1,331	1,312	1,416	1,384	1,314
Primary metals.....	2,914	2,774	2,737	2,913	2,816	2,611	2,635	2,507	2,473	2,692	2,577	2,311
Machinery (electrical and nonelectrical).	11,010	10,909	10,849	11,095	10,965	10,027	6,577	6,520	6,447	6,803	6,644	5,937
Transportation equipment.....	10,759	10,832	10,797	10,838	10,878	9,726	1,542	1,540	1,553	1,561	1,566	1,495
All other durable goods industries.....	5,266	5,222	5,211	5,330	5,244	4,943	4,674	4,550	4,564	4,837	4,646	4,450
Nondurable goods industries, total.....	5,111	4,959	5,027	4,957	4,930	4,968	15,493	15,804	15,811	16,135	15,881	15,031
Chemicals and allied products.....	1,018	883	886	867	884	953	3,010	3,474	3,475	3,623	3,583	3,203
Petroleum and coal products.....	553	548	537	546	541	462	1,284	1,261	1,239	1,270	1,257	1,111
Rubber and plastics products, n.e.c.....	317	318	327	316	318	318	1,030	1,032	1,027	1,081	1,082	961
All other nondurable goods industries....	3,223	3,210	3,277	3,228	3,187	3,235	10,169	10,037	10,070	10,161	9,959	9,756

^P Preliminary.^T Revised.

Appendix

The following is a description of the survey and definitions used. These are provided to clarify the meaning of the items involved and do not represent any revisions from those definitions previously employed.

DESCRIPTION OF THE SURVEY

The Manufacturers' Shipments, Inventories, and Orders survey provides monthly figures that are comparable to the annual totals published each year in the annual survey of manufactures (ASM). The ASM is based on a sample of approximately 60,000 manufacturing establishments drawn from the 5-year census universe of about 310,000 establishments. In the ASM, each manufacturing establishment provides data on employment, payrolls, shipments, cost of materials, capital expenditures, and inventories as well as other selected items. The establishments do not provide information on unfilled orders or new orders. Since the ASM is establishment based, it provides data for each of the 425 manufacturing industries in the Standard Industrial Classification System (SIC) and area data for industry groups.

The monthly survey M3-1 does not provide information at the complete SIC industry detail because of the smaller size of the reporting panel and the fact that most companies cannot provide shipments, inventories, and orders data monthly for individual establishments.

The monthly reporting panel consists of approximately 5,000 reporting units and includes virtually all companies with 1,000 or more employees and a sample of the smaller ones. The reporting unit typically comprises the entire operations of a company although many of the larger diversified companies file separate divisional type reports for their operations in different industries.

Most of the reporting units include mixed industry activity even within the broad industry categories of the monthly survey. The survey methodology assumes that the month-to-month changes of the reporting units classified in each industry category represent effectively the month-to-month movements of the establishments in the SIC industries which make up the category. Thus, the monthly reports are used to update the ASM estimates by using a link relative of matched companies in each industry.

EXPLANATION OF TERMS

Value of Shipments--Shipments in the monthly survey are equivalent to value of shipments as reported in the ASM which are received or receivable net selling values, f.o.b. plant, after discounts and allowances and excluding freight charges and excise taxes. Included in shipments are the value of all products sold, transferred to other plants of the same company, or shipped on consignment.

Shipments also include receipts of establishments in the industry for contract work performed for others, resales, receipts for miscellaneous activities such as the sale of scrap and refuse; value of installation and repair work performed by employees of the plant; and value of research and development performed at the plant. In the aircraft industry and shipbuilding, the value of work done in a given year varies considerably from the value of shipments because of the long lead time between the input of the materials and labor and the shipments of the completed aircraft or ship. In the annual survey, therefore, the value of work done during the year is requested rather than the value of shipments.

The value of shipments figures developed from the ASM contain duplication at the all manufacturing and industry group levels since the products of some industries are used as materials by other industries within the industry group. With the exception of motor vehicles, it is not significant at the 4-digit SIC group level. Since the M3-1 industry categories typically are groupings of industries, this duplication is significant for the all manufacturing, durable goods and nondurable goods categories and the various market groups. The significance of the duplication within the specific M3-1 industry groups varies depending on the 4-digit industry composition of these groups. It is most pronounced in a few highly integrated industry areas such as primary metals and motor vehicles and parts.

Since most monthly reports are for the entire company or major divisions rather than establishments, the companies are requested to report net sales, i.e., total company billings after discounts and allowances. Companies which file divisional reports are requested to treat transfers from one division of the company to another as if they were net sales to outside customers. Although this

definition of shipments in the monthly reports differs from that used in the annual establishment reports, it is assumed that the month-to-month changes in company sales in the industry are representative of the month-to-month shipments of the establishments in the industry.

Inventories--End-of-month inventories in the monthly survey are identical in definition to the end-of-year inventories in the ASM. In the ASM, respondents are asked to report inventories of individual establishments at approximate current cost if feasible; otherwise, "at book values." Since different methods of inventory valuation are used (LIFO, FIFO, etc.), the definition of the aggregate inventories for establishments in an industry is not precise. The figures on the change in inventories from one period to the next are of greater significance than the actual aggregates.

Inventories are reported by stage of fabrication: (a) finished goods; (b) work in process; and (c) materials, supplies, fuel, and other inventories. In using inventories by stage of fabrication at the all manufacturing and 2-digit industry levels as well as for the durable and non-durable goods sectors, it should be noted that a finished product of one industry may be a raw material for another industry at the next stage of fabrication. Insofar as the durable and nondurable goods sectors and also the 2-digit industry groups contain industries with successive stages of processing, the same type of commodity may be included under different inventory categories in the aggregate statistics.

New Orders Received and Unfilled Orders--

Orders as reported in the monthly survey are net of cancellations during the month. They include orders received during the period and also filled during the period as well as those orders received for future delivery. They also include the net sales value of contract change documents which increase or decrease the sales value of the unfilled orders to which they relate. Orders include only those supported by binding legal documents such as signed contracts, or letter contracts. In case of letter contracts the full amount of the sales value is included if the parties are in substantial agreement on the amount; otherwise, only the funds specifically authorized to be expended are included. The respondent is instructed to deduct the sales value of partial or complete cancellation of existing orders.

Unfilled orders include orders as defined above that have not yet passed through the sales account. Generally, unfilled orders at the end of the reporting period are equal to unfilled orders at the beginning of the period plus net new orders received less net sales.

While both new orders and unfilled orders are used in reviewing individual company reports for consistency, only unfilled orders are estimated directly in the tabulated totals. New orders are derived from the shipments plus net change in unfilled orders for each industry category. This procedure is followed for seasonally adjusted data as well as for the unadjusted data. Shipments and unfilled orders are seasonally adjusted independently. Seasonally adjusted new orders are derived from seasonally adjusted shipments and seasonally adjusted unfilled orders.



C 3,158,193 CURRENT INDUSTRIAL REPORTS

Change Sheet Manufacturers' Shipments, Inventories, and Orders

April 1970

U.S. DEPARTMENT OF COMMERCE / Bureau of the Census




FOR RELEASE: June 2, 1970

SERIES: M3-1(70)-4

The following changes should be made to Table 5 - Value of Manufacturers' Inventories, by Stage of Fabrication, by Industry Group:

Item	April 1970, Seasonally adjusted	
	As published	As revised
Materials and supplies:		
All manufacturing industries, total.....	29,888	29,496
Nondurable goods industries, total.....	12,325	11,933
Chemicals and allied products.....	2,680	2,288
Work-in-process:		
All manufacturing industries, total.....	35,441	35,292
Nondurable goods industries, total.....	5,111	4,962
Chemicals and allied products.....	1,018	869
Finished goods:		
All manufacturing industries, total.....	32,275	32,816
Nondurable goods industries, total.....	15,493	16,034
Chemicals and allied products.....	3,010	3,551





Digitized by the Internet Archive
in 2011 with funding from

University of Florida, George A. Smathers Libraries with support from LYRASIS and the Sloan Foundation